



HOUSING GRANT APPLICATION 2015 EMERGENCY SOLUTIONS GRANT PROGRAM

Program Description and Application Package Tennessee Housing Development Agency

The Emergency Shelter Grants Program was established by the Homeless Housing Act of 1986 in response to the growing issue of homelessness in the United States. In 1987, the program was incorporated into Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. Sec. 11371-11378), now known as the McKinney-Vento Homeless Assistance Act. ESG funds are administered by The Tennessee Housing Development Agency (THDA) and are awarded by U.S. Department of Housing and Urban Development.

The Emergency Solutions Grant (ESG) Program was created to replace the Emergency Shelter Grant program when the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) was signed into law on May 20, 2009. The HEARTH Act amended and reauthorized the McKinney-Vento Homeless Assistance Act, and included major revisions to the existing Emergency Shelter Grant Program.

The new ESG Program is designed to identify sheltered and unsheltered homeless persons, as well as those at risk of homelessness, and provide the services necessary to help those persons to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. The change in program name reflects the change in program's focus from addressing the needs of the homeless in emergency or transitional shelters to assisting people to regain stability in permanent housing. THDA anticipates an ESG allocation in 2015 of approximately \$2.7 million dollars.

The purpose of this Program Description is to explain the requirements and the application process for the ESG Program. Agencies applying for 2015 ESG funding must include in their application documentation that is supported by data showing: 1) need for the program; 2) evidence of homelessness or at-risk of homelessness population within the community; 3) a plan that summarizes how funds will be used to address the unmet needs of their community; and 4) evidence that the applicant has collaborated with the local Continuum of Care (CoC) and that activities selected will help the CoC to meet its goals to address and end homelessness. Preference is given to applicants whose programs will help to meet priorities identified by HUD, the State of Tennessee, and the local Continuum of Care. Programs that will provide access to permanent rapid re-housing of homeless individuals and families, defined as a Critical Need Priority by HUD, are preferred.

ESG funds are awarded on a competitive basis to the Small City Entitlement Communities and, on a competitive basis, to 501(c)(3) or 501(c)(4) non-profit organizations, with appropriate documentation, outside the CDBG entitlement communities that receive their own ESG funding directly from the U. S. Department of Housing and Urban Development. The Tennessee entitlement communities that receive their own allocation of ESG funds are Chattanooga, Memphis and Nashville-Davidson County.

Applications for the ESG program must be received by THDA on or before 4:30 PM CST on Friday, March 13, 2015. Contingent upon an announcement of a 2015 ESG allocation, THDA anticipates notifying successful applicants by the end of May, 2015, and issuing 2015 ESG contracts effective July 1, 2015 through June 30, 2016. An applicant must apply for at least \$35,000 and may apply for a maximum of \$100,000 in ESG funding.

The program description is followed by the application package. The program description and application is also available at www.thda.org. Once at the THDA website, click on COMMUNITY PROGRAMS. There will be a link for the program description, the application and the application attachments. If you have questions, call (615) 815-2030.

THE ESG PROGRAM

The ESG program is governed by Title 24 Code of Federal Regulations, Part 576. Those regulations are incorporated by reference in this Program Description. In cases of conflicting requirements, the more stringent requirement will apply.

The objectives of the ESG program are:

1. To help improve the quality of emergency shelters for the homeless;
2. To help meet the costs of operating and maintaining emergency shelters;
3. To provide essential services so that homeless individuals have access to the assistance they need to improve their situation;
4. To provide street outreach services to the homeless; and
5. To provide emergency intervention assistance and rapid-rehousing services to prevent homelessness and to obtain permanent housing.

A person is considered homeless only when he/she resides in one of the places described in the categories below:

Category 1-Literally Homeless

- a. Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
 - i. Has a primary nighttime residence that is a public or private place not meant for human habitation;
 - ii. Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs); or
 - iii. Is exiting an institution where the individual or family has resided for 90 days or less **and** who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

Category 2-Imminent Risk of Homelessness

- a. Individual or family who will imminently lose their primary nighttime residence, provided that:
 - i. Residence will be lost within **14 days** of the date of application for homeless assistance;
 - ii. No subsequent residence has been identified; and
 - iii. The individual or family lacks the resources or support networks needed to obtain other permanent housing.

Category 3-Homeless under other Federal Statutes

- a. Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:
 - i. Are defined as homeless under the other listed federal statutes located at 24 CFR part 576.1 “Definitions”;
 - ii. Have not had a lease, ownership interest, or occupancy agreement in permanent housing during the 60 days prior to the homeless assistance application;
 - iii. Have experienced persistent instability as measured by two moves or more during the preceding 60 days; and
 - iv. Can be expected to continue in such status for an extended period of time due to special needs or barriers.

Category 4-Fleeing/Attempting to flee Domestic Violence

- a. Any individual or family who:
 - i. Is fleeing, or is attempting to flee, domestic violence;
 - ii. Has no other residence; and
 - iii. Lacks the resources or support networks to obtain other permanent housing.

** Individuals and families who meet the criteria of Category 4 may be served under Rapid Rehousing or Prevention, depending on their housing situation at the time of assistance. For instance, if the individual or family is residing in a domestic violence shelter, then they automatically qualify as homeless under Category 1. If the individual or family is still living in a home but need to move due to the domestic violence situation, they may qualify for prevention if they meet the 30% income eligibility requirement.*

A. CONSISTENCY WITH THE CONSOLIDATED PLAN

ESG activities are focused on helping meet the needs of emergency homeless shelters and programs in under-served areas of the State outside of Entitlement Cities. The State is particularly interested in developing and expanding shelter programs in rural areas that lack ready access to other homeless funds. The State is also placing a priority on shelter programs serving families and on transitional living shelters that provide an array of supportive services in addition to living arrangements for a period of at least six months. ESG proposals will be evaluated for consistency with the State of Tennessee's Consolidated Plan, as amended. The State's Consolidated Plan identifies the need for the following types of emergency shelters:

1. Emergency Family Shelters. With the increase of homeless single and two-parent families noted statewide, there is a need for 24-hour emergency family shelters.
2. Emergency Elderly and Disabled Shelters. Small, non-traditional shelter arrangements for the frail, elderly and disabled elderly will protect this vulnerable group. Such shelters could exist in a family home system or be tied to an existing service center for the elderly that could make needed services more accessible.
3. 24-Hour Emergency Shelters for the Employed. Most shelters require participants to vacate the shelter during the day. Shelter residents who become employed or who enter the shelter employed may work odd shifts and require access for sleeping, etc. A small shelter for the employed would accommodate second and third shift employees and make available employment support services.
4. Shelters for the Mentally Ill. The actions of chronic mentally ill homeless persons can be very distressing to others as well as themselves. Emergency shelters for the chronic mentally ill would allow for a more appropriately controlled environment that would ultimately serve the support needs of these clients.

B. ALLOCATION OF FUNDS

ESG funds committed to the State of Tennessee, through THDA, will be allocated as provided in the State of Tennessee's Consolidated Plan, as amended. THDA will spend up to 7.5% of its ESG allocation for administrative and planning expenses. THDA will share the amount available for administration with the small city entitlement communities that do not receive their own ESG allocation from HUD. **Non-profit agencies are not eligible to receive funds for administration.**

THDA Targeted Set-Aside. For the 2015 ESG program, THDA will allocate the \$100,000 of ESG funding that does not require matching funds to the Tennessee Department of Mental Health and Substance Abuse Services (TDMHSAS). TDMHSAS will use the ESG funds for homeless assistance and prevention activities through its established network of housing agencies providing services to clients being discharged from medical and mental health facilities.

The remaining ESG funds will be allocated as follows:

Small Cities Set-Aside. THDA will allocate 52% of the remaining ESG funds on a formula basis to the eleven CDBG entitlement cities that do not receive ESG grants, but are expected to address homelessness through the “Continuum of Care” described in their Consolidated Plans. These cities are: Bristol, Clarksville, Cleveland, Franklin, Hendersonville, Jackson, Johnson City, Kingsport, Morristown, Murfreesboro and Oak Ridge.

Knoxville Set Aside - For the 2015 ESG program, THDA will allocate \$130,308 to the City of Knoxville which has lost its direct ESG allocation from HUD.

Competitive Allocation. The remaining 48% of the ESG funds will be allocated to eligible applicants in a competitive grant application process.

C. ELIGIBLE APPLICANTS

The State of Tennessee, through THDA, will accept applications for the ESG program from non-profit organizations. Non-profit applicants must submit **PART V: Non-Profit Checklist** with supporting documentation, and **PART VI: Non-Profit Board Composition**.

To be eligible to apply for ESG funding the non-profit organization must:

1. Be organized and existing as a non-profit agency under Tennessee law, as evidenced by a Certificate of Existence from the Tennessee Secretary of State dated within six months of the application due date;
2. Have no part of its net earnings inuring to the benefit of any member, founder, contributor or individual;
3. Be established for charitable purposes and whose activities include, but are not limited to, the promotion of social welfare and the prevention or elimination of homelessness, as evidenced in its charter, articles of incorporation, resolutions or by-laws, and experience in the provision of shelter and services to the homeless;
4. Have standards of financial accountability that conform to 24 CFR 84.21, Standards of Financial Management Systems; and
5. Have an IRS designation under Section 501(c)(3) or Section 501(c)(4) of the federal tax code. A 501(c)(3) non-profit applicant may not submit an application until they have received their designation from the IRS. A 501(c)(4) non-profit applicant must provide documentation satisfactory to THDA, in its sole discretion, that the non-profit has filed the necessary materials with the IRS and received a response from the IRS demonstrating 501(c)(4) status.
6. Faith-based organizations receiving ESG funds, like all organizations receiving HUD funds, must serve all eligible beneficiaries without regard to religion.
7. Submit certification of participation in local Continuum of Care activities and HMIS reporting.

Non-profit organizations are eligible to receive funds only if such funding is approved by the local government jurisdiction where programs are based. Each application from a nonprofit should contain **PART VII: Certification of Local Government Approval** specific to housing and service locations that it controls within each jurisdiction. This Attachment must be submitted to THDA at the time of

application. If the organization intends to provide homeless assistance in a number of jurisdictions, the certification of approval must be submitted by each of the units of local government in which the projects are to be located. *Housing agencies funded by TDMHSAS are not eligible to apply for ESG funds through the Competitive Allocation.*

D. ELIGIBLE ACTIVITIES

1. ***Street Outreach:*** Essential services to eligible participants provided on the street or in parks, abandoned buildings, bus stations, campgrounds, and in other such settings where unsheltered persons are staying. Staff salaries related to carrying out street outreach are also eligible.

Eligible Program Participants: Unsheltered individuals and families who qualify as homeless under Category 1 of HUD's Definition of Homelessness

Allowable Activities:

- a. ***Engagement*** – Activities to locate, identify, and build relationships with unsheltered homeless persons for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or social services and housing programs. Eligible costs include: initial assessment of need and eligibility; providing crisis counseling; addressing urgent physical needs; and actively connecting and providing information and referral. Eligible costs also include the cell phone costs of outreach workers during the performance of these activities.
 - b. ***Case Management*** – Assessing housing and service needs, and coordinating the delivery of individualized services. Eligible costs include: using a Continuum of Care centralized or coordinated assessment system; initial evaluation including verifying and documenting eligibility; counseling; helping to obtain Federal, State and local benefits; providing information and referral to other providers; and developing an individualized housing/service plan.
 - c. ***Emergency Health Services*** – Outpatient treatment of urgent medical conditions by licensed medical professionals; and providing medication and follow-up services.
 - d. ***Emergency Mental Health Services*** – Outpatient treatment of urgent mental health conditions by licensed professionals; medication costs and follow up services.
 - e. ***Transportation*** – Travel by outreach workers or other service providers during the provision of eligible outreach activities; costs of transportation of clients to emergency shelters or other service providers; and costs of public transportation for clients.
 - f. ***Services to Special Populations*** – Essential Services that have been tailored to address the needs of ***homeless youth, victims of domestic violence, and related crimes/threats, and/or people living with HIV/AIDS*** who are literally homeless.
2. ***Emergency Shelter:*** Rehabilitation of an existing shelter or conversion of a building for the purposes of providing emergency shelter, essential services and operational expenses.

Eligible Participants: Individuals and families who qualify as homeless under Categories 1 and 4 of HUD's Definition of Homelessness.

Allowable Activities:

- a. *Renovation, major rehabilitation or conversion* – Renovation means rehabilitation that involves costs of 75% or less of the value of the building before renovation. Major rehabilitation means rehabilitation that involves costs in excess of 75% of the value of the building before rehabilitation. Conversion means a change in the use of the building to an emergency shelter for the homeless, where the cost of conversion exceeds 75% of the value of the building after conversion.

All renovation, rehabilitation or conversion work proposed for buildings constructed prior to 1978 must comply with Lead-Based Paint Regulations at 24 CFR Part 35, Subpart J, as applicable.

Grantees receiving ESG assistance for major rehabilitation or conversion must maintain the building as a shelter for homeless individuals and families for 10 years; grantees receiving ESG assistance for renovations must be maintained as a shelter for homeless individuals and families for 3 years.

- b. *Essential Services* - This includes services concerned with employment, health, drug abuse, education and staff salaries necessary to provide these services and may include, but are not limited to:
 - i. Assistance in obtaining permanent housing;
 - ii. Medical and psychological counseling and supervision;
 - iii. Employment counseling;
 - iv. Nutritional counseling;
 - v. Substance abuse treatment and counseling;
 - vi. Assistance in obtaining other Federal, State and local assistance including mental health benefits; employment counseling; medical assistance; Veteran's benefits; and income support assistance such as Supplemental Security Income, Food Stamps and Aid to Families with Dependent Children;
 - vii. Other services such as child care, legal services, life skills training, transportation, job placement and job training; and
 - viii. Staff salaries necessary to provide the above services.
 - ix. Operating expenses - Payment of eligible operation costs related to the operation of emergency and transitional housing, including but not limited to, maintenance, operation, rent, repair, security, fuel, equipment, insurance, utilities, food and furnishings.

Expenditure limits of combined Street Outreach and Emergency Shelters cannot exceed 60% of the maximum grant of \$100,000.

- 3. ***Prevention Activities:*** Activities related to preventing persons from becoming homeless and to assist participants in regaining stability in their current or other permanent housing.

Eligible Participants: Extremely low-income individuals and families with household incomes of at or below 30% of Area Median Income who qualify as homeless under Categories 2, 3 and 4

of HUD's Definition of Homelessness or any category of HUD's Definition of "At Risk of Homelessness".

4. ***Rapid Re-Housing Activities:*** Activities related to help a homeless individual or family to move into permanent housing.

Eligible Participants: Individuals and families who meet the definition of "homeless" who live in an emergency shelter or other place described in the definition provided by HUD.

Allowable Activities for Prevention and Rapid Re-Housing:

- a. ***Financial Assistance*** – Rental application fee (excludes pet deposit); moving costs; security deposit for rental or utility; payment of rental arrears up to six months; and short-term (up to 3 months) or medium-term (up to 9 months) rental and/or utility assistance.

Short and Medium Term Rental Assistance Requirements and Restrictions

- i. Compliance with FMR (Fair Market Rents) and Rent Reasonableness;
 - ii. For purposes of calculating rent, the rent must equal the sum of the total rent, any fees required for rental (excluding late fees and pet deposits), and, if the tenant pays separately for utilities (excluding telephone) the monthly allowance for utilities as established by the public housing authority for the area in which the housing is located;
 - iii. Compliance with minimum habitability standards;
 - iv. Tenant based rental assistance means that participants select a housing unit in which to live and receive rental assistance. Project based rental assistance means that grantees identify permanent housing units that meet ESG requirements and enter into a rental assistance agreement with the owner to reserve the unit and subsidize it so that eligible program participants have access to the unit;
 - v. A standard and legal lease must be in place;
 - vi. No rental assistance can be provided to a household receiving assistance from another public source for the same time period (with the exception of rental arrears); and
 - vii. Participants must meet with a case manager at least monthly for the duration of the assistance (participants who are victims of domestic violence are exempt if meeting would increase the risk of danger to client).
 - viii. The Grantee must develop an individualized plan to help the program participant remain in permanent housing after the ESG assistance ends.
- b. ***Housing Relocation and Stabilization Services*** – Housing search and placement; assessment of housing barriers and needs; landlord mediation; legal services resolving landlord/tenant matters; assistance with submitting rental applications and leases; assessment of housing for habitability, lead-based paint and rent reasonableness; case management; HMIS data collection and submission; credit repair counseling; budget classes; and monitoring and re-evaluating program participants.
5. ***Homeless Management Information System (HMIS):*** Eligible costs include hardware; software; equipment costs; staffing for operating HMIS data collection, monitoring and analysis; reporting to the HMIS Lead Agency; training on HMIS use; and obtaining technical support.

Local government recipients may distribute all or a part of their ESG funds to eligible, private 501(c)(3) non-profit organizations for allowable ESG activities.

For each of the eligible activities, THDA reserves the right to adjust funding requests to remain within the required percentages.

E. INELIGIBLE ACTIVITIES

1. *Under Street Outreach Services*, ESG funds may not be used for the following:
 - a. Emergency medical and/or mental health services accessible or available within the area under an existing program; and
 - b. Maintenance of existing services already being provided within the past 12 months prior to funding.
2. *Under Emergency Shelter Services*, ESG may not be used for the following:
 - a. Acquisition of real property;
 - b. New construction of an emergency shelter for the homeless;
 - c. Property clearance or demolition;
 - d. Rehabilitation administration, such as the preparation of work specifications or inspections;
 - e. Staff training or fund raising activities associated with rehabilitation;
 - f. Salary of case management supervisor when not working directly on participant issues;
 - g. Advocacy, planning, and organizational capacity building;
 - h. Staff recruitment and/or training
 - i. Transportation costs not directly associated with service delivery.
 - j. Recruitment or on-going training of staff;
 - k. Depreciation;
 - l. Costs associated with the organization rather than the supportive housing project (advertisements, pamphlets about the agency, surveys, etc.)
 - m. Staff training, entertainment, conferences or retreats;
 - n. Public relations or fund raising;
 - o. Bad debts or bank fees; and
 - p. Mortgage payments.
3. *Under Prevention and Rapid-Rehousing Activities*, ESG funds may not be used for the following:
 - a. Mortgage payments;
 - b. Pet deposits;
 - c. Late fees incurred if grantee does not pay agreed rental subsidy by agreed date;
 - d. Payment of temporary storage fees in arrears;

- e. Payment of past debt not related to rent or utility; and
 - f. Financial assistance to program participants who are receiving the same type of assistance through other public sources or to a program participant who has been provided with replacement housing payments under URA during the same time period.
4. *Under HMIS:* Activities funded under this activity must comply with HUD's standards on participation, data collection, and reporting under a local HMIS.

F. MATCHING FUNDS

The ESG program requires a dollar for dollar match for the ESG funds. Each application should contain **PART VIII: Certification of Matching Funds.** All grantees must supplement their ESG funds with equal amounts of funds or in-kind support from non-ESG sources. Certain other federal grants contain language that may prohibit their being used as a match. Matching funds or in-kind support must be provided after the date of the grant award to the recipient and within the period of the ESG contract with THDA. The recipient may not include funds used to match any previous ESG grant.

G. OTHER FEDERAL REQUIREMENTS

1. **NON-DISCRIMINATION AND EQUAL OPPORTUNITY.** – Grantees must make facilities and services available to all on a nondiscriminatory basis, and publicize the facilities and services. The procedures a Grantee uses to convey the availability of such facilities and services should reach persons with handicaps or persons of any particular race, color, religion, sex, age, familial status, or national origin within their service area who may qualify for them. If not, the Grantee must establish additional procedures that will ensure that these persons are made aware of the facilities and services. Grantees must adopt procedures to disseminate information to anyone who is interested regarding the existence and location of handicap accessible services or facilities.

Grantees must also comply with the requirements of 24 CFR Parts 5, 200, 203, et al Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity. The regulation is available at <http://www.gpo.gov/fdsys/pkg/FR-2012-02-03/pdf/2012-2343.pdf>.

2. **LEAD BASED PAINT.** - Housing assisted with ESG funds is subject to the Lead-Based Paint Poisoning Prevention Act and the Act's implementing regulations at 24 CFR Part 35, Subparts C through M for any building constructed prior to 1978. Grantees using ESG funds only for essential services and operating expenses must comply with Subpart K to eliminate as far as practical lead-based paint hazards in a residential property that receives federal assistance for acquisition, leasing, support services or operation activities. Grantees using ESG funds for renovation, major rehabilitation or conversion must comply with Subpart J to eliminate as far as practical lead-based paint hazards that receives federal assistance for rehabilitation. The Lead-Based Paint Regulations are available at www.hud.gov/lea.
3. **PROPERTY MANAGEMENT STANDARDS.** – In addition to the three-year or ten-year compliance period required for projects that use ESG funds for rehabilitation, renovation or conversion, recipients of ESG funds are also required to follow uniform standards for using and disposing of capital improvements and equipment. Equipment is defined as having a useful life of one year and a per unit value of \$5,000 or more.

4. RELOCATION AND DISPLACEMENT. – Grantees are required to take reasonable steps to minimize the displacement of persons, families, individuals, businesses, non-profit organizations or farms as a result of administering projects funded through ESG. Any persons displaced by the acquisition of property must be provided with relocation assistance (24 CFR 576.59).
5. ENVIRONMENTAL REVIEW. - In implementing the ESG program, the environmental effects of each activity must be assessed in accordance with the provisions of the National Environment Policy Act of 1969 (NEPA) and the related authorities listed in HUD's regulations at 24 CFR Part 58. THDA as the Responsible Entity and the units of local government funded by THDA will be responsible for carrying out environmental reviews.

THDA will review the release of funds for local governments and must request the release of funds from HUD for any projects of non-profit organizations. The non-profit organizations will be responsible for gathering the information required for the environmental reviews. ESG funds cannot be committed until the environmental review process has been completed. Commitments for expenditures made prior to the approval of the environmental review cannot be reimbursed with ESG funds.
6. CONFLICT OF INTEREST. - Each ESG recipient must adopt a conflict of interest policy which prohibits any employee, persons with decision making positions or having information about decisions made by an organization, from obtaining a personal or financial interest or benefit from the organization's activity, including through contracts, subcontracts, or agreements. (24 CFR 576.57).
7. ASBESTOS. - Prior to renovation, Tennessee State law requires an asbestos inspection for any structure that is not a residential building having four or fewer dwelling units. The costs of asbestos removal may be included in the grant request.
8. CONTRACTUAL AGREEMENT. - All recipients must enter into a contractual agreement with THDA. This Working Agreement includes all requirements contained in the ESG Final Rule (24 CFR Part 576) in addition to all other applicable rules and regulations. The Working Agreement will include, but is not limited to the following:
 - a. BUILDING STANDARDS. - Recipients must ensure that any building for which Emergency Solutions Grants are used for renovation, conversion or major rehabilitation will meet the local government standards for safety and sanitation.
 - b. CERTIFICATION OF ASSISTANCE. - Recipients must certify that on-going assistance will be provided to homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision and other services essential for achieving independent living and other federal, state local and private assistance available for such persons.
 - c. CONFIDENTIALITY. - Recipients must develop procedures to ensure the confidentiality of victims of domestic violence.
 - d. DRUG AND ALCOHOL-FREE FACILITIES. - Recipients must administer a policy designed to ensure that each assisted homeless facility is free from the illegal use, possession or distribution of drugs or alcohol by its beneficiaries.

- e. CLIENT PARTICIPATION. - Recipients must involve the homeless individuals and families in the maintenance and operation of facilities, and in the provision of services to residents of these facilities to the maximum extent possible. The involvement of homeless persons is required through the Housing and Community Development Act of 1992.
- f. PROCUREMENT PROCEDURES. - Each ESG recipient must have an appropriate procurement procedure in place. At a minimum, three telephone bids must be obtained for any equipment or furniture purchases to be charged totally or in part to ESG.
- g. FAIR HOUSING. - All ESG recipients must perform and document action in the area of enforcement and/or promotion to affirmatively further fair housing. During the grant year recipients must carry out a minimum of one activity to promote fair housing. Non-discrimination and equal opportunity are applicable to ESG programs (24 CFR 5.105(a) as amended).
- h. TERMINATING ASSISTANCE. - All ESG recipients must have a formal process for terminating assistance to an individual or family. At a minimum, there must be an appeals procedure with one level of administrative review for clients who are evicted or refused service from the facility for any reason.
- i. REPORTING REQUIREMENTS. - Each ESG recipient must complete periodic reporting forms as required by THDA.
- j. HMIS PARTICIPATION. -All ESG recipients must certify that they will fully utilize the Homelessness Management Information System (HMIS) for their area. While recipients must work with their local HMIS administrator, please note that different areas within the state may use different systems and/or system administrators. The applicant should work with their local CoC to coordinate HMIS access and technical assistance. The ESG recipient assumes full responsibility for all reporting to THDA. Please check the following website for local CoC contact information and for information on the geographic areas covered by each CoC: <http://www.thda.org/commpros/hprp/cocmap.pdf>

Please note that domestic violence programs are exempt from the HMIS requirement, however they will be required to provide aggregate data for reporting purposes.

H. APPLICATION AND EVALUATION PROCEDURE

THDA will evaluate each application to determine if the proposal meets threshold criteria. Threshold criteria includes: submission of a complete application; proposal of an eligible activity; proposal of a project that in the opinion of THDA is physically, financially and administratively feasible; proposal of a project that meets the requirements of 24 CFR Part 576 and 91, as amended. Additional requirements for non-profit organizations are included in the application at **Part V: Non-Profit Checklist and Part VI: Non-Profit Board Composition**. Documentation must be submitted along with the completed Checklist to demonstrate that the organization meets threshold requirements and has the capacity to provide shelter, essential services and/or operations for programs serving the homeless. Applications meeting the threshold criteria will be scored and ranked in descending numerical order.

Key Applicant Eligibility Factors

- Eligible non-profit agency
- No outstanding findings or other issues
- Experienced homeless services/prevention provider
- Must be able to meet recordkeeping and reporting requirements including HMIS utilization
- Must be able to meet HMIS requirements (exception of domestic violence programs)
- Must be certified by local Continuum of Care Lead Agency as a participating member
- Must submit ESG Written Standards

ESG COMPETITIVE ALLOCATON RATING SCALE

100 POINTS

1. PROGRAM DESIGN

UP TO 25 POINTS

The proposed program design demonstrates exceptional planning, readiness and administrative capability. All necessary components to accomplish the project have been identified in the application. Program administrators and qualified staff have been identified. Project is reasonable and expenses are allowable by category funded. Project meets objectives of the local Continuum of Care.

2. APPLICANT CAPACITY

UP TO 30 POINTS

Documentation of applicant's administrative capacity to administer the ESG program and experience with grant funding. Documentation of the applicant's experience in serving the homeless in their community and assisting clients in maintaining permanent housing. Consideration will be given to applicants that have shown an ability to turn in pay requests with appropriate documentation on a timely basis and turn in reports as requested.

3. FISCAL INFORMATION

UP TO 30 POINTS

Completeness of budget. Clear and specific documentation of match, source(s) and level of committed cash match. This criterion will include a review of past expenditure of ESG funds. *Attention will be paid towards agencies that draw their funds down as needed and in a timely manner.*

4. CRITICAL NEED

UP TO 10 POINTS

THDA will award 10 points to applications for projects focused on Rapid Re-Housing activities by applicants who have experience in providing these activities in accordance with HUD's guidelines. Consideration will be given to lack of other resources for rapid re-housing services in target areas.

5. DOMESTIC VIOLENCE SHELTERS

UP TO 5 POINTS

THDA recognizes that while the risk factors for homelessness are also risk factors for domestic violence, they are not the only risk factors. We recognize that domestic violence cannot be necessarily be tracked in the same way as other subgroups of the homeless. Therefore, up to 5 additional points will be granted to domestic violence shelters in areas of reported incidents.